Higher Education in Brazil: first moves

Simon Schwartzman

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With 1.6 million students since the early 1980's, less than 10% of the age cohort, higher education in Brazil seemed to have been frozen on time, but now is beginning to move. Brazil needs to double the number of students and graduates in the next few years, but this cannot be changed overnight. The main bottleneck is in the secondary schools, which do not deliver enough qualified candidates for the universities. Important reforms in basic and secondary education are being implemented, the number of students passing through their benches is increasing rapidly, and in the next several years the impact on higher education will be unavoidable.

How will the higher education institutions cope with this explosion of demand? Today, about two thirds of the students in higher education are in private institutions. Contrary to what happened in most other countries in the region, Brazilian public universities remained selective during the earlier periods of expansion in the sixties and seventies, and established academic careers, graduate programs and research institutes which are not found in the private sector. Brazil spent about 5.4 billion dollars with its federal universities last year, or about $13.500 per student in gross figures (in fact, heavy expenditures with university hospitals and retirement benefits should be deducted from this figure, bringing it closer to 10 thousand). In addition, the State of São Paulo spends more than a billion dollars a year for its three universities, which absorb less than 10% of the state's demand. Public universities are free for the students, quality is very uneven, teaching loads are light, only a small percentage of the faculty have adequate academic credentials, and there are no sticks or carrots to improve quality, get rid of incompetent professors and increase enrollments. Salaries are mediocre, but fringe benefits, including early retirement with full pay, are very generous Left to themselves, it is not likely that these institutions would change much.

Private institutions expanded very quickly in the sixties and seventies, filling in the gaps left open by the public sector. Most of them specialized in providing evening courses with little investment, no research, ill-paid staff and low tuition, in fields like administration, low, accounting and economics. The private sector is very heterogenous, and includes confessional institutions like the Catholic universities, community projects involving local government, businessmen and voluntary organizations, and diploma mills. Until recently, all these institutions were considered non profit and were tax-exempt, although in practice many of them were very obviously profit-oriented. As the economy stagnated in the eighties, the private sector suffered with increasing costs and reduced demand, but kept its share of enrollments. The Federal government has to approve the creation of new courses and universities in the private sector, and in recent years has resisted a growing demand for new authorizations on the name of quality, but also because of the pressures from

established professions in fear of growing competition.

Paulo Renato de Souza, Brazil's Minister of Education, is an economist who was the Rector of one of Brazil's leading public universities, the Universidade de Campinas, and is trying to change this picture in very significant and innovative ways. The most important and visible initiative was the introduction of a national exam for students graduating from public and private universities. The goal is not to evaluate the students themselves, but the performance of their institutions. Students have to participate in the exam to get their degrees recognized by the government, but individual grades are not revealed. This is the first time Brazilian higher education institutions had to face nation-wide, systematic evaluation. There was strong opposition from some universities and student groups, but the exam is now on its second year, and has had a remarkable impact on the whole system, particularly on the private sector, which is scrambling to get good marks, and forcing the private institutions to do the same.

Second, a new legislation was introduced to distinguish between proprietary, profit-oriented private institutions and non-profit ones. The first group would have to pay taxes as any other business, and will have more freedom to run their institutions as a private concern; the others will have submit to much clearer controls by the communities to which they are supposed to serve. So far, it seems that there are no takes for the first alternative, but the control instruments for the second one are still not in place. The simple idea that education can be a legitimate business, however, is completely new and revolutionary in the Brazilian context.

The Ministry is also trying to change the public universities, the project is interesting and innovative, but there is great resistance. The idea is to provide the universities with full autonomy to handle their resources, set their own policies and establish their own rules regarding personnel, and provide them with a lump sum every year according to their performance. Today, salaries are set by the government, both academic and administrative staff are civil servants protected by full stability, the universities have no access to the resources used for salaries, which is about 90% of what they get. University administrators and faculty fear that this could mean that the federal government is trying to get rid of its universities. To soothe these fears, the Ministry of Education has proposed to assure that 75% of the Federal government's budget for education should be earmarked to Federal higher education institutions (public and basic secondary education are the responsibility of state and local governments, although the Federal government plays important supplementary roles). This project requires a Constitutional amendment, is still feared by the universities and goes against the general policy of the economic authorities against earmarking the country's budget for specific sectors or purposes. So, its future is uncertain.

Other initiatives and changes could be listed, including reform of the National Education Council, the reorganization of technical education, changes in the admission procedures for students, the introduction of

periodical re-accreditation of universities, and the reorganization of student loans for the private sector.

Ultimately, what will reshape Brazilian higher education will be the growing demand for places coming from the expansion of secondary education and from the expanding market for better qualified professionals, a consequence of the opening of the country's economy to international competition and economic growth. With the help of the on-going reforms, or even against their grain, the private sector is already getting organized to respond to the new challenges and opportunities, and the private sector will have to follow suit.